

why invest in electricity micro generation?

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Microgeneration in very simple terms means the installation of a system on a property, or a small group of properties, which generates heat and power for their own use. The forms of electricity generation include wind turbines, photo voltaic panels, anaerobic digestion as well as others. Each has its benefits and also points of weakness. Wind turbines are fine when it is windy. Photo voltaic panels are fine in daylight and anaerobic digestion if there is the material to digest. However, there are ways to store the energy once it is generated thereby overcoming any concerns of not having power from the system installed.

The benefits of the systems are clear in that they give free electricity to the owners of them. However, the government also have a system of payment in place for electricity generation which means that the costs of installing the systems can now be paid for by the feed in tariff income. This is new in the UK having been introduced within the last few months. The income according to government figures is more than sufficient to cover the installation costs and could give up to 8% return. The income is for a period of 25 years from the date of installation and is index linked.

The free electricity i.e. the ability to use the electricity generated from the system without having to pay for it is a major benefit.

At a time when organisations are having to consider the implications of the carbon taxes they will have to pay such opportunities to generate free electricity by photo voltaic panels etc would give a six fold benefit:

1. Free electricity
2. An income to pay for the installation of the system over a period of years and then an income after that all of which is index linked
3. 100% capital allowance for the cost of the installation for businesses in the first year
4. Reducing the carbon taxes that have to be paid
5. A reduction in the electricity bill
6. A reduction in the carbon footprint of that company

Taken together, such an opportunity is one to be taken very seriously and not to be missed!

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